

How Does The New Prescription Drug Plan Work?

How much will it cost you?	<p>You will pay a premium of about \$35 each month and a \$250 annual deductible.</p> <p>After the \$250 deductible, you pay 25% of drug costs up to \$2,250.</p> <p>There is a gap in coverage until total drug costs go over \$5,100. Then Medicare pays 95% and you pay 5%.</p>
What happens in the gap in coverage known as the "Doughnut Hole?"	<p>You continue to pay the monthly premium <u>and</u> you pay 100% of drug costs from \$2,250 to \$5,100. Gap in coverage: \$2,850</p> <p>About half of all Medicare beneficiaries will fall into this gap. Budget projections show this gap will increase to \$5,000 by 2013.</p>
Will it guarantee lower Rx prices?	No. It prohibits the Secretary of Health and Human Services from negotiating lower drug prices.
What happens to retirees already covered by employer plans?	An Emory University study projects that 49,000 Washington retirees currently with employer-sponsored health coverage will lose that coverage. Across the U.S., 2.7 million of the 12 million retirees that currently have employer-sponsored coverage will lose it.
When will prescription drug coverage start?	Not until 2006.
Will it allow Americans to buy affordable drugs from Canada?	No. It does not allow reimportation of prescription drugs from Canada -- or any other country -- where seniors could pay significantly lower prices. The legislation keeps the same restrictions that are in law today
What happens to Medicare in the future?	<p>Seniors that stay in traditional fee for service Medicare could face higher premiums in an experimental program. The program could affect up to 6.8 million people in six metropolitan areas. In the areas selected, Medicare would be forced to compete directly with private insurance plans</p> <p>This program will last six years, but there are concerns that it will open the door to undermining Medicare.</p>